



COMMON GROUND

Burra Foods Community Report

TOM ANSWERS THE CALL TO BE A FARMER



Tom and Roz Wyatt at home on the farm with daughters Elsie and Grace.



FROM STEWART'S DESK

Here we are nearing the middle of 2022 and who could have predicted the incredible rate of change and growing uncertainty that continues around the globe? If there is one thing we have all learnt through the past couple of years, it is to focus on what you can control and don't get too absorbed in what you cannot. There is always opportunity for those of us resilient and passionate enough to keep moving forward, and we continue to embrace this philosophy at Burra Foods.

Global supply chains continue to be in disarray. In early May, there were more than 500 container ships waiting to berth

The path to being a dairy farmer has been a somewhat unconventional one for Tom Wyatt.

Even though he was raised on a dairy farm near Tongala in northern Victoria, Tom's career journey has involved pub work, agronomy, rural services store management and a field officer role.

Now that he has been a dairy share farmer for a year, Tom believes he has found his true calling.

"I didn't think this was the path I would go down but here I am, and it's been a happy and successful first year," Tom said.

Tom and his wife Roz, who have two young daughters, Elsie and Grace, entered into a share farming arrangement with Troy Taylor at Pound Creek.

Tom had been working on another farm in the region when the opportunity on the Taylor property arose and he knew the time was right to "have a crack" at share farming in a profitable and meaningful way.

Tom and Roz's share amounts to 40 per cent of earnings. They do not have ownership of cows or land, but they

bring machinery and labour into the arrangement – along with an abundance of enthusiasm and drive.

Tom, 32, admits he had been contemplating a move into dairy farming five years prior but had doubts about his own skills and capabilities.

"Yet I surprised myself with how much I did know; a lot came back to me from my younger days on the farm at Tongala," he said.

Tom laughs at the fact that it was only a couple of years after his parents sold their farm in 2010 to relocate to Inverloch, when he was 20 years old, that he first experienced a real desire to go into farming.

However, with a Bachelor of Agricultural Science under his belt, and after a couple of years working in a local pub, Tom took

continued page 2



FROM STEWART'S DESK CONTINUED

and exchange cargo in Shanghai and almost 100 waiting at Los Angeles to do likewise. If we assume the average container ship carries 15,000 twenty-foot containers, that amounts to around nine million shipping containers parked at two of the largest ports in the world! Whether it is food or raw materials being imported for manufacture, or tractor parts, whitegoods and electronics being exported back to Australia, there is a massive disruption to global supply chains as a result. We are all suffering the consequences of this, and it will be many months before we get back to some degree of normality.

The war in Ukraine has not only driven a huge humanitarian crisis in that region, but it is having significant long-term impacts on global food and agricultural industries. Ukraine and Russia combined provide around 30 per cent of the world's wheat and barley and some 50 per cent of the world's sunflower oil. Russia is the world's largest exporter of natural gas and second largest exporter of oil. Russia and neighbouring Belarus provide around 30 per cent of the world's fertilisers. Collectively, the Russian

invasion of Ukraine and the subsequent sanctions applied by most of the world against Russia has created immense cost pressure on global agriculture, driving significant inflation in food prices. We are not immune from these inflationary pressures in Australia.

Closer to home, we have just elected a new government in Australia which will bring not only hope but further uncertainty. A swing towards independent candidates campaigning for climate change and anti-corruption indicates a desire for change by the Australian public. For agriculture and the dairy industry, in particular, the new government will need to very quickly provide clarity on its climate change policies in order to generate certainty and confidence in the future.

Unfortunately, milk production continues to decline in Australia. Devastating floods in New South Wales and Queensland have taken a toll and our thoughts go out to those rebuilding homes and businesses across the affected areas. Throughout Gippsland we continue to see both ends of the milk production spectrum. Some are making calculated investments in farm expansion and productivity, others are retiring from the industry altogether. Partnering is in our DNA and we will

continue to work with and support any existing or prospective Milk Supply Partners to do their best in running a profitable business.

We are relentlessly pursuing opportunities in areas over which we have control. Productivity, capability and quality improvements remain big areas of focus and we are seeing enormous benefits which strengthen our resilience. Supporting existing customers through their challenges and emphasising the value that we can add to their businesses also remains an important focus. Gathering market intelligence and developing new products is another exciting target area and we are accelerating several projects to meet new market opportunities.

Despite this volatile and uncertain world, we at Burra remain energised about our prospects and will continue partnering across our supply chain to bring the best of Australian dairy to the world.

Stewart Carson
Chief Executive Officer
stewartc@burrafoods.com.au

TOM ANSWERS THE CALL TO BE A FARMER CONTINUED

on employment as an agronomist at Landmark. He then became manager of the Foster Landmark rural supplies store, before being appointed to the position of milk supply officer at Burra in 2018.

In 2020, he secured a full-time job on a dairy farm where his love for farming fully blossomed.

"All those jobs have set me up to where I am now – I've come into this position with a sound idea of how I wanted to farm.

"Because I've worked in merchandise, buying milk and now producing milk, I also have a good understanding of the supply chain."

Tom sees share farming as an ideal means of being a milk producer but without the inherent risks associated with being the landowner.

"The investment is less and therefore so is the risk – that certainly appealed to Roz. Share farming without cow ownership is the best first step," said Tom, whose medium-term goal is to invest in cow ownership to some extent and to gradually build wealth and expertise.

"And Troy and I have a good working relationship which is the cornerstone of any successful share farm arrangement.

"So far it has worked really well. I'm happy with production levels and how the farm looks."

The quality pasture-based system carries 340 milkers, predominantly Friesians, which go through a 20-a-side swing-over herringbone dairy. The workforce includes one full-time employee and one casual.

Tom's father, Dallas, also helps out occasionally, allowing Tom and Roz to take time away from the farm at certain times of the year.

Additional support comes from the Burra supply team members who are ready to help when unexpected challenges arise.

"It's reassuring to know they are available to talk to and assist us if we ever have any issues," Tom said.



Elsie Wyatt loving dairy farming life along with the rest of her family.



Hallora Cricket Club committee members, Leesa Williams, Brett Williams and Simon Phillips with Burra Milk Supply Officer, Jamie Serong, at the now-irrigated Hallora Recreation Reserve.

BURRA FOUNDATION SUPPORTS ACTIVE COMMUNITIES

The Burra Foundation continues to make a big difference to small dairy communities in the region.

Through the Burra Foundation each Burra Milk Supply Partner can nominate a community group, sporting organisation or other cause to be the recipient of \$500 per financial year to assist with fundraising or specific projects.

Two recent recipients of Burra Foundation funding are the Dumbalk and District Progress Association and the Hallora Cricket Club.

A long-standing desire to provide Dumbalk children with an upgraded community park that includes a concreted area with a basketball ring has finally been realised, thanks to a concerted community effort and contributions, including the funds from the Burra Foundation.

Led by Dumbalk and District Progress Association secretary, Janelle Richards, the campaign to have a basketball ring installed in a public space revolved around the need to bring children and families together in the outdoors, especially after a couple of difficult years due to the pandemic.

“There are many farming families in this area, and we’ve also had a lot of young people move to Dumbalk in recent times, so there’s a real need for people to come together and get to know each other, especially the children,” Janelle said. Janelle’s campaign has attracted positive

community support, with many local people and businesses also contributing to the campaign in some way.

Burra Foundation funding, pooled over two years, has also delivered year-round green grass for the Hallora Cricket Club and the many community members who utilise the local oval.

This major project involved the installation of an irrigation system that enabled the club to water the oval throughout the summer months when grass had previously dried off and in some years become non-existent.

“Having an irrigated oval allows us to remain competitive as a club,” said president and player, Brett Williams.

“The oval is a fully functioning recreation reserve so a better surface will benefit other users as well, including the junior football club and those people who use the oval for exercise and relaxation. It will be a great investment.”

Brett and his active committee are constantly looking at ways to improve the club and the facilities, regularly setting fundraising goals which have also supported an overhaul of the club rooms and nets, in addition to the new irrigation system.

TREATING WASTE WATER WITH RESPECT

What a manufacturing business does with its wastewater is often not the most visible or exciting aspect of the enterprise’s overall operations.

However, Burra’s wastewater treatment is seen as an integral component of the business and is being given serious attention to ensure its operations continue to have minimal environmental impact whilst reducing operational costs and improving efficiency.

In 2022, Burra is investing \$2.1 million to improve the sustainability of its wastewater treatment.

“Ageing critical assets are being replaced, with new equipment offering greater reliability, business continuity and operational flexibility,” said Burra Foods Manufacturing Services Manager, Danny Wilson.

“It provides us with the ability to implement a preventative maintenance strategy in line with the whole-of-business approach to maintenance and underpins the minimisation of risk of environmental impact.”

Other improvements in wastewater treatment include a transition away from intermediate bulk containers towards bulk chemicals, an initiative being undertaken by new Burra employee, Zach Dimachki, who is a graduate engineer in sustainability.

“From a sustainability point of view, this move to bulk chemicals will result in reduced road miles and truck movements, as well as a reduction in the chain of responsibility risk,” Danny said.

“It also means we can eliminate on-site logistical requirements and reduce the handling of chemicals, making this a much safer workplace for our operational staff.

“It will standardise the way we distribute chemicals across the wastewater treatment plant, lead to cost reductions and drive overall efficiencies within our operations.”



Site establishment and plant mobilisation, enabling our wastewater treatment plant reliability strategy.



LEADERSHIP COMMITTED TO GIPPSLAND



L-R: Wayne Davey, Dan Cullen, Stewart Carson, Jo Rees, Travis Wild, Vincent Wang, Murray de Jong

A united commitment to deliver the best possible outcomes for Burra Foods and its suppliers, customers and the regional community is the galvanising force behind the company's executive team.

The executives are all passionate about the Burra brand and the people and places it represents.

Within that cohesive team are seven individuals who each possess a unique set of skills, experience, expertise and personality traits that combine for a dynamic and effective decision-making unit.

While their professional credentials are what brought members of the executive team to Burra Foods in the first place, it is their diversity of backgrounds, thought processes and approaches to finding solutions that makes this team such an effective one.

For instance, Jo Rees (General Manager – Sales & Marketing) brings to Burra Foods a different way of thinking – from a customer and consumer perspective – and a new approach to problem-solving through tailored solutions based on critical insights. Sydney-born Jo also ensures some fun is injected into day-to-day life at Burra.

With Burra being such an export-focused business, effective communication with international stakeholders is critical.

Born and raised in Inner Mongolia, China, Vincent Wang (Continuous Improvement Manager) plays a key role in ensuring two-way information exchange is culturally appropriate and that Burra references global best practice.

Dan Cullen (General Manager – Quality) and Wayne Davey (General Manager – Manufacturing) add further international flavour to the team as both hail from New Zealand's farming regions.

Dan grew up in Te Awamutu, a dairy town very much like Korumburra, and he often spent his spare time helping out on his grandparents' dairy farm in the Waikato region, while Wayne (an adventure racing and multisport race competitor) grew up in Temuka on a sheep and potato farm. Both were drawn to Burra because of its strong community connections and reputation within the dairy industry.

Having worked with dairy communities for over 20 years, Stewart Carson (Chief Executive Officer) is proud of Burra's Gippsland provenance and the company's willingness to give back to the community. Stewart values a happy and healthy work environment and leads by example in ensuring the executive team and the entire Burra workforce feel empowered and respected.

Murray de Jong (General Manager – Supply Chain) and Travis Wild (Chief Financial

Officer) are another two members of the executive who are just as comfortable in the field as they are in the boardroom.

West Gippsland-raised Murray has broad agribusiness experience and enjoys interacting with farmers, while Travis also loves to talk farming when he's out and about in Gippsland, especially if the conversation turns to pastures – he previously worked for pasture technology company Barenburg Group (formerly Heritage Seeds).

The executive team lives the company's values and behaviours – energetic, respectful, focused and collaborative – and conversations and deliberations are underpinned by a platform of honesty and trust.

Approachability is another common thread woven into the fabric of the executive team. They welcome ideas and feedback from all quarters of the business, both internal and external; theirs is an open-mind and open-door policy.



Share farming has delivered multiple benefits for Brett and Maddie Williams and their son Henry.

SHARE FARMING LIFE AGREES WITH YOUNG FAMILY

When rare opportunities arise, they must be seized upon. That is the philosophy of young dairy farming couple Brett and Madeleine Williams who jumped at the chance to become share farmers and shape their future in the dairy industry.

Fourth generation dairy farmer Brett had been working on the Hallora farm of his parents, Grant and Leesa Williams, for seven years when a golden opportunity arose to enter into a share farming arrangement just five kilometres away at Poowong North.

The offer from Tom and Anne-Mette McNamara was accepted with little hesitation.

“The McNamaras wanted to exit out of dairy, and I was ready to take on the task of being self-employed,” said Brett.

“It’s certainly not easy for young farmers to buy their own farm at the moment with current land prices, particularly in this region, so entering into a share farming arrangement such as ours was the ideal entry point.”

Brett and Maddie – a speech pathologist by profession – purchased the existing herd from the McNamaras and are now the operation’s labour force and key decision-makers for the 250-cow farm.

“Tom and Anne-Mette also live on the property, and we involve them in discussions about certain changes or ideas, but generally they let us go about our business,” Brett said.

Despite having grown up on a dairy farm, Brett was keen to pursue other interests and so studied outdoor education and physical education at university for eighteen months before deciding that farming was his preferred vocation.

Working for his parents on the family farm gave Brett the responsibility and the experience required to confidently seek more independence in the industry. Share farming has delivered that and more for Brett and Maddie who now also have a son, Henry.

“I couldn’t imagine living any other way – I love it,” Brett said. “It’s such a great way of life, even though there are so many variables, challenges and hard days.

“Full-time farming is a new concept for Maddie, but she loves it as well.

“Whether it’s me dropping in to see Henry

and Maddie throughout the day or the two of them joining me out on the farm, it’s the best way to bring up a family.”

With milk prices at favourable levels, Brett said they had entered the industry as share farmers at a buoyant time for the market.

The couple are milking off 127 hectares and put the cows through a 24 swing-over herringbone dairy with cup removers.

Although satisfied with their current lot in life, Brett said building an asset base was a future objective.

“We have the herd, and we will build our assets from there and see where it takes us. Who knows what the future holds – but for now we’re very happy.”





MITI Dairy Student Showcase 2021/22 held in Melbourne on 6 April. L-R: Benjamin Briggs, Shilong Yang, Burra's Stewart Carson, Harry Blackburn and Katherine Zich.

SUPPORTING STUDENTS TO BUILD CAREER FOUNDATIONS

As most tertiary students enjoyed their freedom from studies over the summer of 2021-22, four Monash University students opted to spend those months extending their skills and broadening their career horizons.

The four students were engaged by Burra to undertake farm milk quality-related studies.

Through Burra's partnership with the Monash Industry Team Initiative (MITI) program and with Gardiner Dairy Foundation funding, the students worked on two projects relating to potential farm milk contaminants.

The students – Harry Blackburn, Katherine Zich, Benjamin Briggs and Shilong Yang – undertook a 12-week program working with Burra Milk Supply Partners and spending time in the Burra plant.

The scope of the projects was to investigate all potential sources of iodine, chlorates and sediment in raw milk.

The students undertook research, data collection, interpretation and validation exercises, and made recommendations for systems modifications. Their work was presented at the MITI Dairy Student Showcase in Melbourne in April.

Burra Foods supports the MITI program through its partnership with the Gardiner Dairy Foundation.

"The MITI program exposes talented university graduates and postgraduates to the sophistication of the post farm gate dairy sector and its exciting employment opportunities, while building the industry's profile as a viable and attractive career option," said the Foundation's People and Community Development Projects Coordinator, Ashley Rosewarne.

"It adds value to the Victorian dairy industry by exposing some of the best and brightest students and helping to attract a high calibre of skilled individuals to work in regional Victoria.

"To see the growth from the students from initially not knowing the complexities of the industry to then pursue a career in dairy is the most rewarding part."



ELEANOR ON TOP OF THE WORLD

Burra Foods' Brand Ambassador, Eleanor Patterson, has been flying high in 2022, yet the elite athlete's feet remain firmly on the ground.

And when that ground is South Gippsland soil, Eleanor could not be any happier.

She achieved a personal best high jump of 2.00 metres and a silver medal at the World Athletics Indoor Championships in Serbia in March and three first placings during the World Athletics Indoor Tour prior to that. While Eleanor has been on top of the world on the other side of the globe, a quick trip home to Leongatha in April, including a visit to the Burra factory at Korumburra, has added to her 2022 highlights reel. Eleanor brought along her parents, Helen and Mark, for a tour of the factory and to meet with staff who have been closely following her sporting progress over the years, particularly during last year's Olympic Games in Tokyo where she excelled with a fifth place.

"It was wonderful to meet the team at Burra and see how everything operates," Eleanor said.

"It was such a special experience, especially to have Mum and Dad with me – it meant I got to spend more time with my parents during what was a whirlwind visit home.

"The partnership I have with Burra brings such joy to me. I am fortunate to have such incredible support from Burra and the community back home." Eleanor said her achievements so far this year had given her great confidence and reward for effort.

"I've had a wonderful start to the year. I knew I was coming into form but to get

the results on the board, especially with a personal best, a new national indoors record and a silver medal at the World Indoors, was so satisfying."

The gold medal was won by Ukrainian Yaroslava Mahuchikh who defied the upheavals of her country's invasion by Russia with a jump of 2.02 metres. Her win was lauded by Eleanor who painted her nails yellow and blue in support of the two Ukrainian competitors who had fled their home country to seek refuge before driving to Serbia to compete.

"I have so much respect for the women I compete against, but I was in complete awe of the two Ukrainians," Eleanor said. "To see them competing under those circumstances, and for Yaroslava to win, was truly inspiring."

With so much momentum behind her, Eleanor is now preparing for competitions in Europe ahead of the World Athletics Championships in Oregon (USA) and the Commonwealth Games in Birmingham (UK) in July-August.

Having conquered the 2.00 metre barrier – something she has been dreaming about for the past six years – Eleanor is now focused on jumping even higher.

"With that two-metre jump under my belt I feel as though it's the opening of a floodgate. I feel strong and ready, and really excited for what the future holds."



BURRA FOODS PARTNERS WITH BUBS AUSTRALIA

Burra Foods has entered into an exciting partnership with Bubs Australia to supply the company with A2 nutritional base powders. This is great news for Burra Foods as it explores new categories and markets for future growth.

Earlier this year, Bubs Australia announced the launch of its Supreme™ A2 Beta-Casein Protein Infant Formula range with advanced premium formulation. Milk Powders and infant formula made with only A2 Beta-Casein have strong growth outlook and represent a strong opportunity for value creation.

According to Bubs Australia, this is an exciting and valuable addition to the Bubs product range and complements its specialty goat and organic infant formula, children’s nutrition and family dairy offerings.

It also represents an important new capability to Burra’s current range of nutritional powders produced from goat and bovine milk.

“Innovation is inherent in Bubs’ culture and a key driver behind our high growth strategy,” said Bubs Founder and Chief Executive Officer, Kristy Carr.

“With the launch of Bubs Supreme™ A2 beta-casein protein range in our most profitable business segment, we are now able to cater to a more significant

share of the infant formula and toddler milk market, thereby strengthening our position in the category to build widespread recognition of Bubs® as a brand with clean, high quality infant nutrition.”

Burra Foods Commercial General Manager, Jo Rees, said Burra was “thrilled to expand our business in the Nutritionals Category and in particular with a dynamic business such as Bubs, which continues to deliver quality products to the market. This innovation is very much aligned to strategy and supports Burra’s relentless pursuit of value.”

You can find the Bubs Supreme™ A2 beta-casein protein range already available on Australian shelves. Like Burra Foods, Bubs Australia is a company that values providing its customers with high quality innovative products both domestically and overseas.

Bubs Australia earlier this year announced the launch of its Supreme™ A2 Beta-Casein Protein Infant Formula range, with advanced premium formulation.



Production Supervisor, Maria Perez, and Process Operator, Dale Wyhoon, verifying bag weights.

MANUFACTURING IMPROVEMENTS PRODUCE RESULTS

A concerted and deliberate effort to reduce waste in all its forms throughout Burra’s manufacturing processes is producing positive results that flow all the way back through the supply chain.

Burra General Manager – Manufacturing, Wayne Davey, said the initiative to reduce waste was generating multiple benefits, including to maximise the use of milk solids supplied by farmers.

“We’re minimising product waste that can occur during start-up and shutdown of the plant. The milk solids we work with are of the highest quality so reducing waste is not only economically prudent, it’s also being respectful of our suppliers and the environment.”

Wayne said reduction of waste – including that related to time, product and asset use – was part of an overall business excellence program to improve manufacturing processes that started a year ago.

“This includes being more focused on prevention and prediction in our maintenance activities, which brings cost efficiencies and reductions in unplanned downtime. It costs less to plan for the replacement of an item that may be failing, than addressing a breakdown when it occurs at greater expense and inconvenience,” he said.

“If we can create more reliability within the plant, we incur less downtime on the production lines, which results in increased plant uptime and a reduction in product waste.”

Wayne said the initiative had resulted in a 40-50 per cent reduction in unplanned downtime this year, which was extremely encouraging.

“These results can be attributed to the efforts of everyone involved in making improvements to our manufacturing processes, including the packing teams, plant operators, engineering and maintenance teams working together. Staff engagement has been excellent and they are also happy to see the positive impact.”

Wayne said improvement in manufacturing processes was an ongoing commitment.

“We will be introducing more measures over time to track changes and to identify further opportunities for waste reduction and other improvements.

“The desired outcome is that we deliver high quality products to our customers in a timely manner through greater efficiencies within our processes and with less waste.”





Alex Walker, electrical technician and instrumentation apprentice, said that Burra Foods values its people and creates a great team environment.

A GREAT START TO 2022



Last year was another incredibly challenging one for many people and many businesses, including Burra Foods.

Yet despite the upheavals of 2021, workplace satisfaction remained high among Burra

employees who have again declared Burra a 'great place to work'.

The official Great Place to Work® certification as an 'employee-validated great workplace', which follows a company-wide survey of staff, allowed employees to provide confidential and anonymous feedback about their place of work.

As indicated in the survey results, 77% of employees stated Burra was a great place to work compared with 55% of employees at a typical Australia-based company.

Burra's Human Resources Manager, Helen Falls, said the figure from the survey – conducted at the end of 2021 – was even higher than the previous year's survey.

"It's an incredible result considering the many challenges and ups and downs of 2021," Helen said.

"To know that such a large number of our people have a consistently positive experience while working at Burra is heartening."

Helen said feedback collected during the survey was being fed into the company's BETTER cultural improvement program which develops initiatives aimed at making Burra 'an even better place to work'.

More information about Burra's Great Place to Work certification can be found at: <https://greatplacetowork.com.au/gptwcertified/burra-foods-australia/>



Peter Fort presented Bill, Faye and Brett Loughridge with their Burra 20-year service award at the Poowong meeting.

WELCOME RETURN OF MILK SUPPLY PARTNER MEETINGS

In a sign of a return to near normality, Burra Foods has conducted in-person Milk Supply Partner meetings for the first time in a while.

Six meetings were held from May 9 to 11 at Yarram, Foster, Maffra, Drouin, Leongatha and Poowong.

Milk Supply Manager, Peter Fort, provided a milk intake update for the current season, and a summary of the Monash Industry Team Initiative (MITI) students' project findings, on quality topics such as iodine, chlorates and sediment.

Peter discussed some of the benefits on offer to Burra's Milk Supply Partners, including milk quality assistance, the Burra Foundation, and milk cooling and back-up power rebate programs. He also announced the 2021 Service Award recipients and presented them with their awards.

Burra CEO, Stewart Carson, presented an overview of global dairy markets and the key economic drivers impacting the outlook for supply and demand.

Stewart detailed internal improvements at Burra in the key areas of business excellence, product innovation and market development, infrastructure and capability.

He also announced the all-important opening farmgate milk price for Burra Foods Milk Supply Partners for FY23.

Each meeting featured presentations by keynote speakers: Foster, Drouin and Poowong – Matt Harms (ONFARM Consulting); Yarram, Leongatha – Brian Gannon (Gannon Agribusiness); Maffra – Frank Tyndall (Dairy Farm Consultant).

Farming for profit was the focus of these presentations, particularly rising farm input costs and the important drivers around nitrogen response and utilisation, alternative feed sources and scenarios for planning and implementing good farm business strategies in an ever-changing income and expenditure environment.

This newsletter is produced on 100% recycled stock
Please recycle

sales@burrafoods.com.au
milksupply@burrafoods.com.au
@BurraMilk
www.burrafoods.com.au

